

Novellus Launches New Suite of Dry Strip and Clean Systems

G400 Sets Benchmark as the Industry's Highest Throughput Ashing System, GxT Provides Advanced Technology for Critical Applications

SAN JOSE, Calif. - May 19, 2008 - Novellus Systems today announced two new industry-leading dry strip and clean systems, each targeting different photoresist removal requirements at fabs and foundries worldwide. The G400™ and GxT™ are built upon Novellus' production-proven, market-leading GAMMA® platform. The new tools address high throughput and low defectivity requirements for flash, DRAM and logic applications. Both systems have shipped to customers, with the first G400 going to a large Asian memory manufacturer and the GxT placed at multiple large foundries in Asia.

"With IC manufacturing becoming more complex, there is a clear need for specialized, dedicated tools like the G400 and GxT which have been optimized to meet diverging customer needs. Strip systems in cost-sensitive memory applications need to deliver the highest levels of productivity while providing the lowest cost of ownership. Logic applications, on the other hand, are driven by advanced technology requirements, with a need to deliver low silicon loss, ultra-low defectivity and critical clean applications," said Kevin Jennings, vice president and general manager of Novellus' Surface Integrity Group. "The introduction of these tools will further extend our leadership in the market for strip and clean systems."

G400: The Industry's Highest Throughput Ashing System

Targeting bulk strip and high-dose implant strip (HDIS) applications primarily used in large DRAM and flash memory fabs, the G400 is the industry's highest throughput ashing system. Enhanced source technology combined with faster wafer heating for higher ash rates enables the system to simultaneously deliver over 400 wafers per hour for bulk strip applications and 300 wafers per hour for implant strip applications. The G400 combines a new high-rate ashing technology with an optimized system design to provide up to a 25 percent productivity gain compared to prevailing industry standards.

GxT: Advanced Technology for Critical Strip and Clean Applications

Targeting critical logic processes that require low silicon loss and ultra-low defectivity, the GxT provides advanced capabilities for both demanding strip applications (including both HDIS and super-HDIS) and BEOL clean applications.

The GxT takes advantage of Novellus' production-proven multi-station sequential processing (MSSP) architecture, offering multiple process zones that provide the flexibility to handle complex recipes and chemistries. The system's SmartFlow gas distribution technology supports individual station-by-station control of both oxidizing and reducing chemistries.

Key to the system's success is its ability to support higher-temperature bulk applications, lower-temperature HDIS and advanced cleaning processes simultaneously on the same platform. These lower-temperature applications are integral to providing low silicon loss while ensuring high throughput with low cost of ownership.

About GAMMA

Both the G400 and the GxT are built on the highly successful GAMMA platform, which is deployed at eight of the top 10 semiconductor manufacturers, spans four technology nodes, and is in use today for 32nm pilot production. The continuously evolving GAMMA platform enabled Novellus to achieve significant gains in market share in 2007, according to reports from both Dataquest and VLSI Research. Its most recent version, the GAMMA Express, is a market leader in 300mm photo resist removal at the 65nm and 45nm nodes, and it is qualified at multiple top DRAM, flash, logic and foundry semiconductor manufacturers.

About Novellus:

Novellus Systems, Inc. (Nasdaq: NVLS) is a leading provider of advanced process equipment for the global semiconductor industry. The company's products deliver value to customers by providing innovative technology backed by trusted productivity. An S&P 500 company, Novellus is headquartered in San Jose, Calif. with subsidiary offices across the globe. For more information, please visit www.novellus.com.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including

statements that (i) our belief that the increasing complexity of IC manufacturing leads to a need for specialized, dedicated tools like the G400 and GxT, (ii) our belief that in order for strip systems to be cost-sensitive, memory applications need to deliver the highest levels of productivity while providing the lowest cost of ownership, (iii) our belief that logic applications are driven by advanced technology requirements with a need to deliver low silicon loss, ultra-low defectivity and critical clean applications, and (iv) the introduction of the G400 and GxT will further extend our leadership in the market for strip and clean systems. Forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those contemplated by the forward-looking statements. Such risks and uncertainties include, but are not limited to, technological innovations rendering our products obsolete or unnecessary; inefficiencies in the allocation of funds to our strategic product research and development efforts; difficulties in managing the cost and production of our products; declining customer demand; industry competition; as well as other risks indicated in our filings with the Securities and Exchange Commission (SEC). For more details, please refer to our SEC filings and the amendments thereto, including our Annual Report on Form 10-K for the year ended December 31, 2007, our Quarterly Report on Form 10-Q for the quarter ended March 29, 2008, and our Current Reports on Form 8-K. Forward-looking statements are made and based on information available to us on the date of this press release, and we assume no obligation to update them.

GAMMA is a registered trademark, and G400 and GxT are trademarks of Novellus Systems, Inc.

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